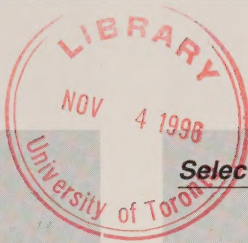


# Government of Canada Securities

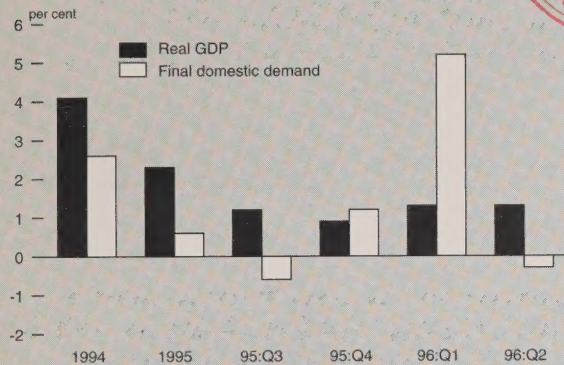
A Publication of the Department of Finance

September 1996



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## Real GDP, final domestic demand (annualized growth)



Source: Statistics Canada.

## Selected Canadian economic statistics

	1994	1995	1995		1996	
			Q3	Q4	Q1	Q2
<b>Annualized growth rates</b>						
Real gross domestic product	4.1	2.3	1.2	0.9	1.3	1.3
GDP excluding inventories	3.6	2.0	2.2	2.6	2.7	4.3
Final domestic demand	2.6	0.6	-0.6	1.2	5.2	-0.3
Employment	2.1	1.6	0.6	1.1	2.7	0.7
<b>Other</b>						
Unemployment rate	10.4	9.5	9.5	9.4	9.5	9.6
Current account balance (per cent of nominal GDP)	-3.0	-1.4	-1.2	-0.2	-0.8	0.6

Source: Statistics Canada.

## International CPI inflation comparisons

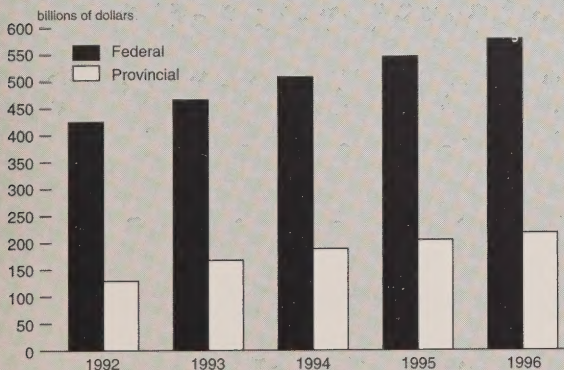
(per cent change in CPI)

	Average annual growth					1995						1996					
	1991	1992	1993	1994	1995	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Canada	5.6	1.5	1.8	0.2	2.1	2.5	2.3	2.3	2.4	2.1	1.7	1.6	1.3	1.4	1.4	1.5	1.4
United States	4.3	3.0	3.0	2.6	2.8	2.8	2.6	2.5	2.8	2.6	2.5	2.7	2.7	2.8	2.9	2.9	2.8
Germany	3.5	5.1	4.5	2.7	1.8	1.8	1.7	1.8	1.8	1.7	1.8	1.5	1.6	1.7	1.5	1.7	1.4
Japan	3.3	1.7	1.3	0.7	-0.1	0.1	-0.2	0.2	-0.6	-0.7	-0.3	-0.4	-0.2	0.1	0.4	0.3	0.0

Sources: Statistics Canada, OECD, Department of Finance.

## Canadian public sector debt

(as of March 31)



Source: Department of Finance.

## Representative Canadian interest rates

	1995			1996			
	1995	Q3	Q4	Q1	Q2	Jul	Aug
Bank rate	7.31	6.72	6.50	5.37	5.00	4.75	4.25
Chartered bank prime rate	8.65	8.08	7.75	7.00	6.50	6.25	5.75
3-month Treasury bills	7.05	6.52	6.18	5.12	4.72	4.39	4.02
10-year Canada bonds	8.08	8.05	7.39	7.39	7.75	7.62	7.34
30-year Canada bonds	8.41	8.45	7.85	7.95	8.17	8.06	7.83

## Canada-U.S. interest rate differentials

	1995			1996			
	1995	Q3	Q4	Q1	Q2	Jul	Aug
3-month Treasury bills	1.45	1.05	0.87	0.03	-0.45	-0.95	-1.19
10-year Canada bonds	1.56	1.70	1.54	1.39	1.00	0.82	0.55

Sources: Bank of Canada, Department of Finance.



# Government of Canada Securities

## Exchange rate

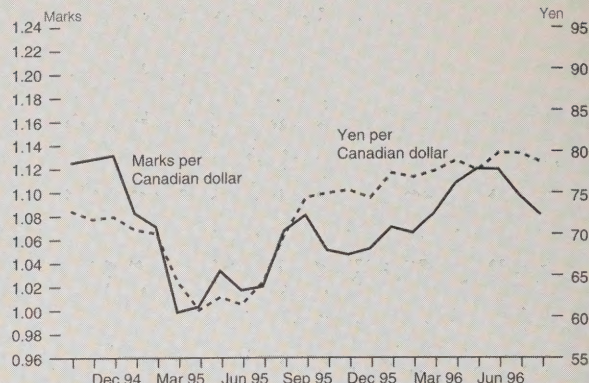
(Canadian dollars per U.S. dollar)



Source: Bank of Canada Review.

## Exchange rates

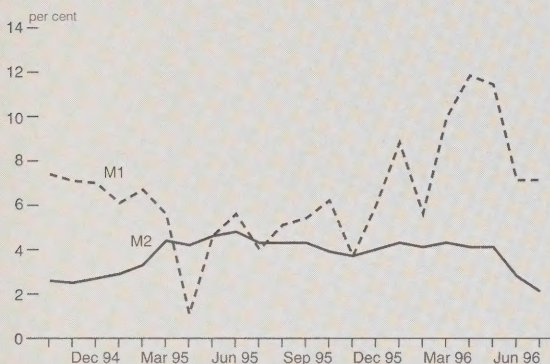
(Marks and yen per Canadian dollar)



Source: Bank of Canada Review.

## Canadian monetary aggregates

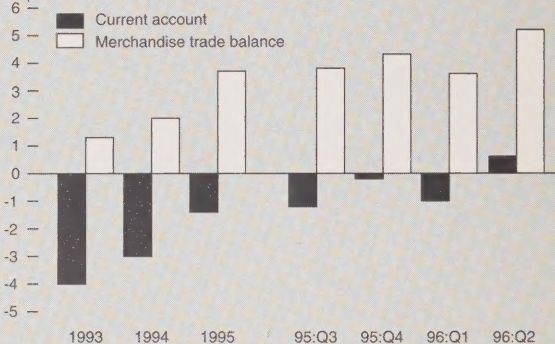
(year-over-year percentage growth)



Source: Bank of Canada Review.

## Canada's current account balance and merchandise trade balance

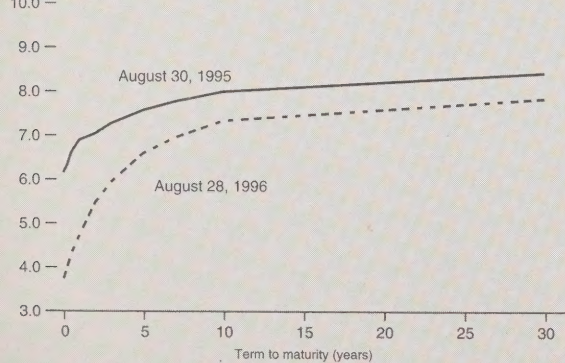
(per cent of nominal GDP)



Source: Statistics Canada.

## Canadian yield curve

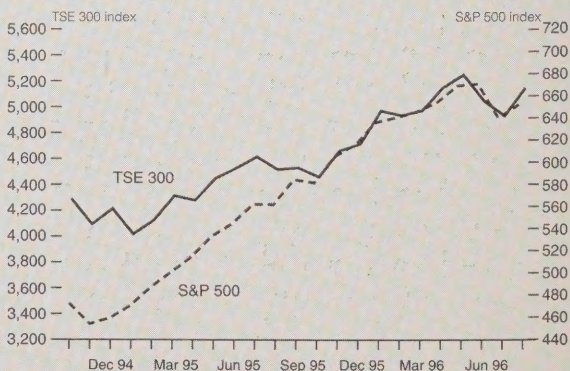
(per cent)



Sources: Bank of Canada Review, Department of Finance.

## Stock market averages

(Canada and the U.S.)



Source: Bank of Canada Review.



# Government of Canada Securities

## Upcoming dates of interest

Third quarter national accounts release – November 29, 1996

## Government of Canada bond market benchmarks, September 11, 1996

Term	Maturity	Coupon	Amount outstanding	Yield Sep 11/96
		(%)	(millions of dollars)	(%)
<b>Fixed coupon:</b>				
2-year	Sep 15/98	6.25	6,000	5.46
3-year	Aug 1/99	6.50	5,600	5.93
5-year	Sep 1/01	7.00	7,900	6.65
10-year	Dec 1/06	7.00	9,100	7.42
30-year	Jun 1/25	9.00	8,900	7.90
<b>Real return:</b>				
30-year	Dec 1/21	4.25	5,175	4.75

The normal bid-ask spread on these bonds is 5 cents.

Source: Department of Finance.

## Forthcoming Government of Canada bond auctions

Type of issue	Auction/offering date (1996)	Further details of issue (1996)	Dated and delivered (1996)	Amount maturing (millions of dollars)
10-year auction	Sep 18	Sep 12	Oct 1	3,425
3-year auction*	Oct 2	Sep 26	Oct 15	—
30-year auction*	Oct 23	Oct 17	Nov 1	—
10-year auction*	Nov 6	Oct 31	Nov 15	—
5-year auction*	Nov 20	Nov 14	Dec 2	—
RRB auction**	Nov 27	Nov 21	Dec 6	—
2-year auction*	Dec 4	Nov 28	Dec 16	—

\*Quarterly issue.

\*\*Single-price auction format.

## Recent Government of Canada bond auction results

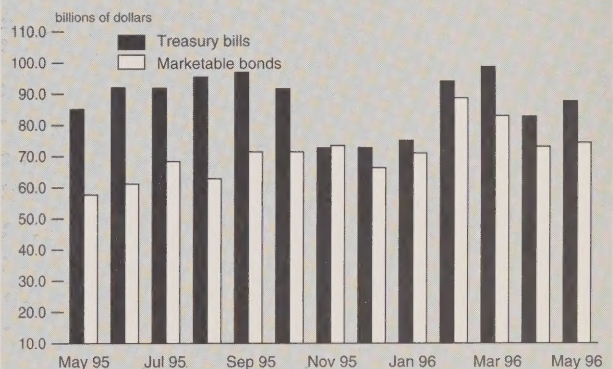
Auction date	Term (years)	Maturity date	Coupon rate (%)	Issue amount (millions of dollars)	Auction coverage
Jun 19/96	5	Sep 1/01	7.00	2,600	2.6
Jul 10/96	3	Aug 1/99	6.50	2,800	2.5
Jul 24/96	30	Jun 1/27	8.00	1,500	2.4
Aug 7/96	10	Dec 1/06	7.00	2,400	2.5
Aug 21/96	5	Sep 1/01	7.00	2,700	2.5
Aug 28/96	30	Dec 1/26	4.25*	400	2.1
Sep 4/96	2	Sep 15/98	6.25	3,000	2.3

Coverage is defined as the ratio of total bids at auction to the amount auctioned.

\*Real Return Bonds.

Source: Department of Finance.

## Government of Canada Treasury bills and bonds (market trading, average of Wednesdays)



Source: Bank of Canada Review.

## Outstanding Government of Canada Treasury bills, bonds (by term to maturity), and Canada Savings Bonds (as of August 28, 1996)

Treasury bills	Marketable bonds						Canada Savings Bonds	Total
	0 – 2 years	2 – 5 years	5 – 10 years	10 – 20 years	20 – 30 years	Total		
	(billions of dollars)							
152.8	21.9	79.9	87.0	40.9	35.3	265.0	30.1	447.9

Sources: Bank of Canada, Department of Finance.

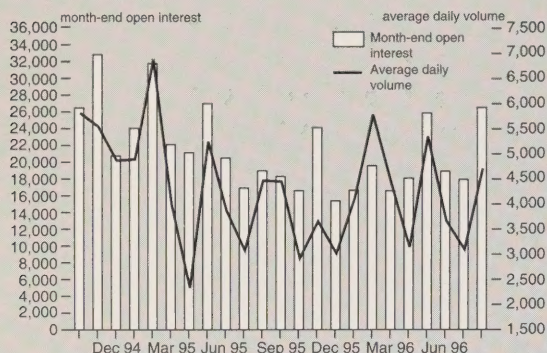
## Government of Canada long-term credit ratings (as of August 30, 1996)

Moody's Investor Service:	Aa1 (Canadian dollar debt)	Dominion Bond Rating Service:	AAA (Canadian dollar debt)
	Aa2 (Foreign currency debt)		AA (high) (foreign currency debt)
Standard & Poor's:	AAA (Canadian dollar debt)	Canadian Bond Rating Service:	AA+
	AA+ (Foreign currency debt)		

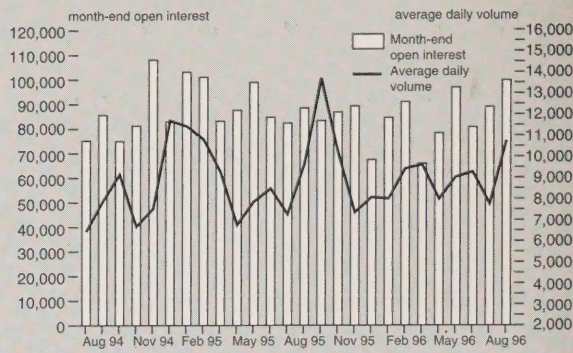


# Government of Canada Securities

## Ten-year Government of Canada bond futures



## Three-month Bankers Acceptance futures



## Government of Canada budgetary deficit

	(billions of dollars)
1992-93 fiscal year	41.0
1993-94 fiscal year	42.0
1994-95 fiscal year	37.5
1995-96 fiscal year	32.7
1996-97 fiscal year (Budget: March 6, 1996)	24.3

Source: Department of Finance.

## Government of Canada marketable debt issues (April 1, 1996 to September 3, 1996)

	Treasury bills	Marketable bonds
	(billions of dollars)	
Gross issues	146.5	24.2
Maturities	158.7	9.3
Net issues	-12.2	14.9

Source: Department of Finance.

## Forthcoming Government of Canada marketable bond maturities

	(millions of dollars)
October to December 1996	3,425
January to March 1997	8,200
April to June 1997	876
July to September 1997	9,600
October to December 1997	2,775

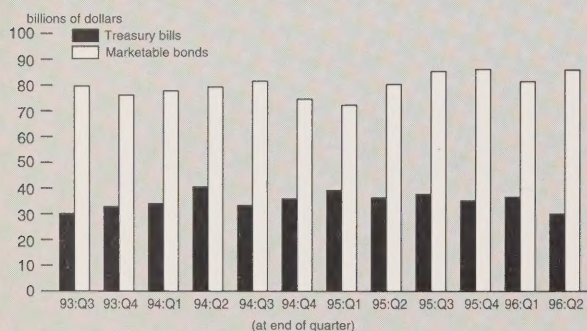
Source: Department of Finance.

## Outstanding Government of Canada/ U.S. dollar-denominated debt (as of August 31, 1996)

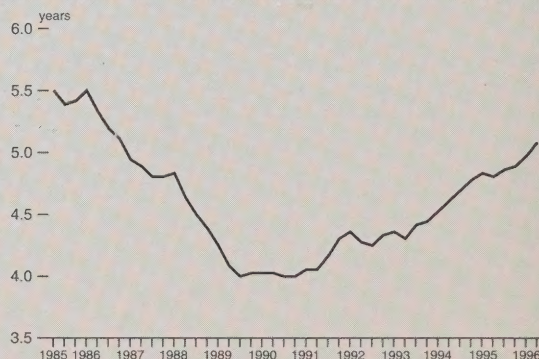
	(millions of U.S. dollars)
Canada bills	4,995
Canada notes	1,378
Floating rate note maturing February 1999 (paying LIBOR less 25 basis points)	2,000
6 1/2% notes maturing July 7, 1997	2,000
6 1/2% bonds maturing May 30, 2000	1,500
6 1/2% bonds maturing May 30, 2001	1,000
6 1/2% bonds maturing July 21, 2005	1,500
6 1/2% bonds maturing Aug 28, 2006	1,000

Source: Department of Finance.

## Foreign holdings of Government of Canada securities



## Average term to maturity of Government of Canada marketable debt



Except as noted, the information in **Government of Canada Securities** is based upon data available as of August 30, 1996.  
For further information, contact Nigel Stephens at (613) 943-1944. Cet imprimé est également offert en français.



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